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S. HRG. 113–292

TOLEDO BEND

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

TO

DEVELOP IDEAS REGARDING STEPS THE FEDERAL GOVERNMENT CAN TAKE TO INCREASE THE ECONOMIC BENEFITS OF THE TOLEDO BEND PROJECT TO THE REGION

MANY, LA, MAY 17, 2014



Printed for the use of the
Committee on Energy and Natural Resources

U.S. GOVERNMENT PRINTING OFFICE

88–122 PDF WASHINGTON : 2014

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
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TOLEDO BEND

SATURDAY, MAY 17, 2014

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Many, LA.

The committee met, pursuant to notice, at 10:30 a.m. at the Cypress Bend Conference Center, Many, Louisiana, Hon. Mary Landrieu, chair, presiding.

OPENING STATEMENT OF HON. MARY LANDRIEU, U.S. SENATOR FROM LOUISIANA

The CHAIR. Welcome this morning to the Senate Committee of Energy and Natural Resources.

We're going to begin by just introducing Ned Goodeaux, who is going to introduce his Board members and a few dignitaries in the audience.

Then I will do an opening statement and we'll hear from our panelists on this important subject.

But first, let me just say how wonderful it is to be here in Sabine Parish, to be back here at Cypress Bend. I've had the pleasure of coming many times. It's wonderful when I actually get to spend not one, but two nights. So I was here last night, will be staying again.

So thank you all for your hospitality. It really is one of the most extraordinary and beautiful places in all of our State and really in the whole southern region of the United States. So I thank everyone for joining us for this important discussion.

So, Ned, let me turn it over to you. If you'll just use Senator Long's microphone and introduce your Commissioners and thank you so much for your leadership and anybody else you want to introduce in the audience.

STATEMENT OF NED GOODEAUX, CHAIRMAN, BOARD OF COMMISSIONERS, RIVER AUTHORITY, STATE OF LOUISIANA

Mr. GOODEAUX. Thank you, Senator.

Let me say first how really great it is to have you back in the Parish, to have you come by and look at our facilities. We'd just like you to make more trips, if at all possible sometimes. You know, if you can get out of Washington, get down here and have some fun.

[Laughter.]

The CHAIR. Hooray for that. Yes.

[Laughter.]

Mr. GOODEAUX. My name is Ned Goodeaux. I am the Chairman of the Board of Commissioners for the River Authority, State of Louisiana. I represent Sabine Parish.

I have several of the board members, out of the 13 board members from the State, up and down the waterway here of the Sabine River.

From Sabine Parish, I have Mr. Ron Williams.

From Sabine Parish, I have Mr. Bobby Williams.

From Beauregard Parish, Mrs. Dale Scott.

The CHAIR. Would you all stand up and just stay standing, please?

Alright.

Mr. GOODEAUX. Those are the only board members out of the 13 that was able to be here this morning.

[Applause.]

Mr. GOODEAUX. Thank you guys for coming.

[Applause.]

Mr. GOODEAUX. Also, Ms. Scott was 30 years as a City Councilwoman in DeRidder just south and her niece, Ms. Kim Moore is the newly elected City Councilwoman from down in that area.

The CHAIR. Please stand so we can give you a round of applause.

Thank you all.

[Applause.]

Mr. GOODEAUX. Thank you all for coming.

[Applause.]

Mr. GOODEAUX. One last that probably for the River Authority that has to carry the biggest stick is always his phone ringing from the staff of Sabine River Authority, Mr. Carl Chance over our Shoreline Management Department.

Thank you.

The CHAIR. Thank you, Carl.

[Applause.]

Mr. GOODEAUX. That, Senator, is our River Authority personnel that are here today.

Thank you again.

The CHAIR. Thank you very much, Ned, so appreciate it.

Let me just begin by giving a short opening statement and set the stage for why we're here this morning and the significance of this meeting. I hope to have several additional informal meetings as this project unfolds.

But as you all know, I don't have to share with the local community here, that Toledo Bend has driven significant economic development including recreation, ecotourism, just the beautiful landscape of the water and has driven development in this area including hydropower since the early mid 1960s. The reservoir filled up in 1968. Plans for it were laid prior to that. Today in 2014, we're here to talk about the future.

Today we look ahead to the next 50 years and how we can responsibly leverage the area's hydro energy assets and obvious and abundant natural resources, which is visible to the eye and to a small child as well as to an adult, how we can create more high paying jobs and spur commerce and recreation in this area. Toledo Bend has huge potential, economic potential. I'm committed to getting to the Federal status and local plans to unleash this potential.

You all know that the Toledo Bend Reservoir is over 80 miles long. It has more than 1,200 miles of shoreline which is both sides. That's about the same distance, if stretched out, between Louisiana and Washington, DC. That is quite an enormous length of property.

It's the largest manmade body of water in the South, the largest. It's the fifth largest in the United States not owned by the Federal Government. In terms of surface area and storage, it's the largest reservoir in the country not owned by the Federal Government. So it's truly a treasure and an extraordinary asset for our part of the world.

Despite its extraordinary size and beauty it might be one of the least well known large reservoirs in the United States. This hidden gem and treasure can and should be enjoyed, not only by our communities nestled in close proximity, like Many, Zwolle, Logansport and so many others, but by people all across the region and Nation. In fact today there are over 2,000 anglers fishing in some of the best bass waters in the world.

Toledo Bend's primary purpose, of course initially, was to unleash hydropower for the region and that still is a very important part of what Toledo Bend's mission is. As you know, when it was developed each State, the states that border this Toledo Bend, Texas and Louisiana, made a decision and an agreement that each would get half of the water generated. It's about 1.87 billion gallons of water per day the reservoir delivers for use by families, businesses and farms in two States.

The economic value of this water supply cannot be overstated. The availability of fresh water from the reservoir is one of the main reasons why Sasol chose West Lake as a site for a new massive gas to liquids manufacturing facility that will create in Louisiana twelve hundred permanent, high paying jobs in the area south of us around Lake Charles and 5,000 construction jobs.

Now these construction jobs might be temporary, but let me add that with the effort that I'm making with our State leaders and Senator Long knows most certainly about our push for closing the skills gap in Louisiana, that while some of these construction jobs are temporary the skills that people are able to, with our partnership with Federal, State and local government and the private sector, are permanent. The skills that people are able to achieve for themselves will permanently stay with them and be able to, over long periods of time, sustain and grow and develop the economic power of their families and their communities. So this should not be underestimated.

One clear example of how Toledo Bend creates wealth for communities around it. That's just one example. But you can look here and see the recreational benefits, clearly, which are also equally important.

The dam at Toledo Bend generates 81 million watts of hydroelectricity which is enough to power 16,000 homes in Louisiana on a yearly basis. Two companies on either side of the line, Entergy and Cleco, buy the power the dam produces under a long term contract that expires in 2018, just 4 years away. This is a clean and affordable hydropower that diversifies electricity supply in Louisiana as part of the all or the above energy policy that I

support and champion in Washington as the new Chair of the Energy and Natural Resources Committee.

I am committed as Chair of this committee to keep Louisiana in the driver's seat to redesign the next big pillars of energy policy for our Nation for the next 20, 30 and 40 years. It's a gavel we don't often get. I've got it now. It's really important for me to be able to wield it on behalf of communities like this and communities all over our State and Nation.

I most strongly believe that America can be an energy superpower. We can create more energy resources here at home using all the above, hydro, nuclear, gas, oil, alternative, biofuels, etcetera and be an exporter of electricity, power and energy to our allies and friends around the world to push out and to have even greater influence in the geopolitics of our Nation and world. You only have to look at what's happening in the Ukraine today and the thumb that they're under from Russia to understand the power of when a country can be, like the United States, self sufficient in its own energy and not have to rely on an unfriendly neighbor, particularly one that does not share democratic values.

So we come back here to Toledo Bend. It's one of the best places in the United States for bass fishing, one of the top spots for tournaments in the country. As I said, the Big Bass Splash is taking place as we speak.

Fishing tournaments and recreational fisherman have been important drivers of economic growth in this region. They will continue to do so. Hundreds of hotel rooms including the resort that we're in today, RV parks and other facilities generate over 38 million in economic activity for our State each year.

I'd like to commend all the people in this room and this witness table for all the efforts that you've made over the last several decades to make this happen. I'm here today to tell you that I want to work more closely with you as we develop what the next 30, 40 and 50 years looks like for this community and for our State.

Because it generates and sells electricity to utilities, Toledo Bend falls under the jurisdiction of the Federal Energy Regulatory Commission, called the FERC. I am committed to make sure that this regulation, which is necessary, does not stymie this area from developing its full potential. FERC, under my jurisdiction in the Energy Committee, is in the process or under the jurisdiction of the committee that I Chair, is in the process of issuing a new license to Toledo Bend. They've been in the process of asking for a license.

The initial 50-year license expired in 2013. So we've been operating on a temporary license ever since. FERC is in the process of deciding whether that permit should be extended for 30 years, 40 years or 50 years. We're asking for 50 years. We're going to lay down some testimony in the congressional record today as to why that would be important.

The two River Authorities have done a great job of keeping the FERC relicensing process from spinning out of control and compromising the current benefits of Toledo Bend which I have heretofore mentioned. These fights can be messy. There's sometimes too many stories about hydropower relicensing across the country, cannot be, you know, compromised between all of these interests. I hope that

this will help us to keep working in the cooperative way that we are.

The relicensing process takes too long and it's too costly. Toledo Bend is currently waiting for a new license. I'm been pushing FERC, as I said, to get this done.

On February 5th of this year I wrote a letter to FERC calling on them to issue Toledo Bend a new 50-year license, the longest term possible under Federal law. The law does not have to be changed for this 50-year license to be issued.

It is within their jurisdiction. We've laid out several important arguments why we think a 50-year license will save local communities money. It will help generate some additional revenues that can be used for the benefit of all concerned.

I expect that FERC will issue a 50-year license for Toledo Bend this summer as I and others have requested. Frankly if they're not leaning forward, I'm going to be using my power as the Chair to pass legislation. It would be much easier for them to do this administratively. I most certainly appreciate their consideration of all the arguments that we've laid out.

So before I turn this over to our panel of witnesses I want to express my strong support and recognize this reservoir as the extraordinary economic engine it has been and can continue to be for this region. We need to relicense this project for 50 years. We need more resources for infrastructure to make Toledo Bend as accessible as possible for the public, to the private landowners, for new investments and for mostly, creating wonderful jobs, high paying jobs, for every single person to have access to those jobs in our community.

So I thank you all very much. I want to recognize our panel. We're going to have a great panel this morning. I've asked each of them to give 4 or 5 minutes of testimony then we'll have a round of questioning.

I'd first like to welcome Senator Gerald Long, who has been a long standing friend and wonderful ally. He's represented Louisiana's District 31 which includes Natchitoches, Winn, Grant and Sabine Parishes since 2007. He currently serves as Chair of Louisiana's Senate Natural Resources Committee and is a strong and recognized voice in all issues related to what we're discussing today.

Senator Long, thank you for being here.

I'm going to introduce everyone and then we'll come back.

Next we have Mr. Jim Pratt, the Executive Director of the Sabine River Authority of Louisiana. The Sabine Authority has joint authority, as I've said, over Toledo Bend along with its counterpart in Texas.

Jim, I think we have 13 commissioners and Texas has nine. We look forward to hearing the good work that you're doing and how our counterparts in Texas are thinking about some of these things as well.

Next I'd like to welcome Linda, who hosted me the last time I was here. Mrs. Curtis-Sparks, thank you very, very much for your leadership of the Sabine Parish Tourist Commission and for your passion and advocacy for this community. We look forward to hearing your perspectives on the existing economic and recreational

benefits that Toledo Bend has to offer and see what more we can do to be of assistance to you.

We next have Mr. Kenneth Freeman, of course, the Mayor of the great town of Many. He's been the Mayor since 1989. He serves on the Board of the Sabine River Authority. We thank you, Mayor, for being here and for your leadership for these many years.

Finally our last witness, Mr. William Ruffin, President of the Police Jury. He'll have some helpful suggestions as to how this can benefit the whole region. We thank Sabine Parish Police Jury for their strong support. Mr. Ruffin, President Ruffin, and for all you've done today.

So let's begin with Senator Long to just give us 4 or 5 minutes of opening testimony. Then I've got some questions and hopefully we can conclude in about an hour or an hour and a half.

Thank you.

STATEMENT OF GERALD LONG, LOUISIANA STATE SENATOR, DISTRICT 31

Mr. LONG. Thank you, Senator Landrieu.

First of all on behalf of all of us from Louisiana we want to publicly congratulate you for the Chairmanship that we think offers enormous opportunities for our people. So I'm going to ask the audience that are here today to extend a personal congratulations to Senator Landrieu.

[Applause.]

Mr. LONG. It's interesting to note that her Chairmanship at the national level is exactly my Chairmanship at the State level. As a State Senator I've been privileged to have the responsibility of being the Chairman of the Senate Natural Resources. Now we spent most of our time this year dealing with Legacy lawsuits and with levy lawsuits. The real issue though, I think, as we look at today is how can we move Toledo Bend into a position of prominence as we look at the next 20, 30, 40 years.

Let me parenthetically make a statement that I think is extremely important. It is this. Toledo Bend knows no political parties. We simply know that the needs of our community and the needs of our State transcend politics.

I want to publicly say how appreciative I am that Senator Landrieu has brought government to the people and that this meeting is being held today at Cypress Bend.

One of the things I hear, Senator, so much as an elected official is that I feel isolated from my government. I believe today we actually put hands and feet to what we do as legislators.

Now several things and I know there's many others who would like to speak and we'll be as brief as we can. One of the things that's extremely important is that we understand, collectively, is that Toledo Bend can be the economic engine for Northwest Louisiana. We have yet to touch the hem of the garment in regards to the potential of Toledo Bend.

One of the things that we want to do as State officials as well as Federal officials is to facilitate opportunities to grow Toledo Bend. When you look at travel across the United States and you see other recreational facilities such as this, unfortunately, as we compare it to Louisiana we find ourselves behind the curve when

it comes to development and making this an economic engine. I do appreciate the fact that we're able to attract great opportunities like the Bass Masters and others, but if you begin to think outside the box of what Toledo Bend can be it can be an economic engine.

A point and case here is that when we look at the diversion canals that are south of us that go into Lake Charles and Calcasieu and Cameron Parishes, we already provide for about 21 industries. Their needs as it pertains to a quality, quantity of water. One of the things that attracts people to Louisiana, Senator Landrieu, when we think of our economic engine is the fact that there is an availability of water which is affordable and which is portable meaning it can get from point A to point B.

What we would ask you to do, as our United States Senator, is to continue to operate from the perspective of being pro business. Give our people an opportunity to grow Louisiana by using its natural resources.

Now, ladies and gentlemen, I've made this statement before. Let me make it again. We are one of only 6 states that is water independent. The next great economic engine that drives Louisiana will be associated directly with how much water we have and how we use it.

I offered 2 years ago a measure which will create a comprehensive water management plan for Louisiana. Currently at the State government level we have 21 agencies or sub agencies that have some type of regulatory control over our water. What we want to do is not only to use this great assets of Toledo Bend, we want to use the State of Louisiana with our water resources to grow our State.

When you look at St. James parishes and some of the others that are attracting the large industries, the No. 1 reason they give when they come before my committee is the availability of water. Water is driving the economy in Louisiana and nationwide. If you doubt that, the State of Texas would love to be in the position we're in when it comes to our water.

Many of the things that hinder other states is the lack of water. Senator, we have that availability. We believe Toledo Bend is in a prime position to drive our State.

Again, thank you for your attention.

The CHAIR. Thank you so very much, Senator. I really appreciate it.

Mr. Pratt.

STATEMENT OF JIM PRATT, EXECUTIVE DIRECTOR, SABINE RIVER AUTHORITY, STATE OF LOUISIANA

Mr. PRATT. Thank you, Madame.

I am Jim Pratt. I'm the Executive Director of the Sabine River Authority for the State of Louisiana. The Sabine River Authority, as been stated earlier, we have 13 members that are appointed and serve at the pleasure of the Governor.

The Sabine River Basin in Louisiana stretches from Logansport in Desoto Parish through Sabine, through Vernon, Beauregard, Cameron and Calcasieu, all of which have representatives on the Sabine River Authority Board of Commissioners.

One of our most significantly visible and responsible projects, of course yet is equally been a project. Of course we mention operated with the co-licensing of the Federal Energy Regulatory Commission, the Sabine River Authority, State of Texas.

Earlier stated about the immense short line and the fact that this is the largest water body in the Southern states, it's the fifth largest in the United States and unique is is it is not owned or operated by the Federal Government although we do fall under the Federal Energy Regulatory Commission's jurisdiction because we do have a dam hydro facility on a river that was formally a navigable waterway of the United States. So our relationship with the Federal Government, one that fortunately has been, obviously, and will continue in the future.

Primarily it was designed here in West Louisiana and Eastern Texas as a water supply. But of course, during the 1950s and early 1960s when this project was conceived, the immense need for water supply was not apparent at the time. So the local leadership looked at ways of doing this. It's not a Corps of Engineer project because it did not lend the flood control for their purposes.

But the local business leaders and elected officials got together, joined in with the power companies that were around at the time, and designed this project for two purposes to pay for it. That was, of course, hydro electric power would initially pay for it knowing that the water supply component would eventually be tapped into. But then the local support of this project was from the promise of economic development for these poor parishes that were along the Western corridor of Louisiana.

It has. Obviously there's much more potential that can be reached.

The generating facility at the dam, it produces those 80 megawatts or so per hour. It will fund approximately or at least power about 16,000 residents. But of course, on one scale that's not much.

But when you look at the fact this is a renewable resource. It is green power. We believe that certainly has a placemat in our future energy needs. Certainly in all of our efforts for renewable resources this one stands alone. It does very well there.

The economic impact that we receive from this project, of course, you see it today. We've got one of our largest, non-professional tournaments that we're hosting this weekend. It's the Big Bass Splash. Over 2,000 participants.

The beauty of this one is couple weeks ago we had the Bass Masters elite. Those are professionals, great crowds and a lot of media attention. But this one today you have mother/daughter, father/daughter, grandchildren fishing. It is a family event with big rewards.

That's why it's so exciting for us to see this come here because of all things this is a great place to bring your family. We have capitalized on that. That's part of the future on this.

This resort that you're at today was a project conceived by the Sabine River Authority as an economic development project in the early 1990s. The speaker behind me was the Executive Director at the time and led the charge to make this happen. This has changed

the landscape. It bumped the level somewhat. But we all know that that was going to be a catalyst to bring even more.

We have two State parks here that are operated by our Office of State Parks in addition to the several recreationsites that are operated by the Sabine River Authority. We believe then though in the coming years, as was emphasized by the Senator, that water shortages will continue to be apparent. Climate change, one way or the other, is going to impact us and just natural outdoor environments are being confronted with industrial and residential development.

So this project becomes more and more valuable to the States of Louisiana and Texas for the outdoor experience, but also of that genuine asset of high quality, clean, fresh water.

As we referred earlier to the Federal Energy Regulatory Commission and the initial license that was issued in 1963. We've operated under that for the first 50 years very independent. Of course there were several environmental laws and regs that have been adopted since 1963. So one of the challenges that we had in going through this relicensing process, was showing that we are complying with all of those acts and regulations that have been passed.

I'm happy to report that during this process, jointly with the State of Texas, we spent about $11 million. You may ask, well what can you show for that?

We had to do a lot of those studies for, particularly, the river downstream of the dam to make sure it wasn't impaired and the species that were expected to be there were still in place. The good news is, excuse me, they are. We have a very healthy environment. We actually have some of the highest quality of water of any river flowing into the Gulf of Mexico.

The process of relicensing though has been an 8-year process with us. We developed a scoping document and a pre-application document that was submitted. We actually chose the integrated licensing process which was supposed to be much more expedited even than the traditional. But we must say, it has still been quite a challenge for us, to say the least.

There was a lot of settlements. We have several Federal entities and State entities that are regulatory in nature that participated such as locally we had the Louisiana Wildlife and Fisheries, Louisiana Department of Economic Quality, in Texas, Texas Parks and Wildlife, Texas Commission on Environmental Quality and then the Federal agencies from the U.S. Fish and Wildlife Service, National Marine Fishery Service and our neighbor next door, of course, is the United States Forest Service under the Department of Agriculture. During that we addressed the concerns they brought forward which dealt with things from public recreation and water supply to the value of that hydro power production that we do here on Toledo Bend.

It came at quite a cost. This process to both authorities, again, we are not taxing authorities. We generate our revenues here through the sale of hydropower, water and fees that we charge on our sites. But jointly we will have spent, at the end of the day, about $11 million during this process.

The capital costs that are going to be associated with complying with the new terms are going to cost about $3.6 million. Our operation maintenance costs on an annual basis that, you know, in-

cludes the mitigation and protection measures that were requested by the Federal agencies and that's another 3.7.

Many years ago and really it wasn't many, but within the last decade, as residents moved to Toledo Bend and became full time residents. Their voices began to be heard. It came very apparent that maximizing the power production during the summer months which is when the power is most needed, was in conflict with our recreation element here.

As such we made the Louisiana legislature instructed through a statute to reduce the amount of water we had available through elevation for power production in those months. But it did reduce our ability for revenue streams. But that being said, when you balance that with the recreational and the other economic development components then it's just the best use of the asset that we're looking at.

The cost for our total project of relicensing, when we look at that, we cash-flowed it. There's not been any tax dollars put into this from Texas or Louisiana. But we have to look at it from a business perspective and try to amortize that cost over a period. It really only works reasonably well if we can amortize that over the next 50 years.

Anything shorter, even our own residents say, you know, why did you do that? It just doesn't pay for itself. So it's very important, Senator, that we get that 50-year license so that we can amortize that cost over the 50 years.

Hopefully the reality is that once the next license term comes around we will have operated this reservoir project for almost a century. We would at least encourage people to think, you know, what else could there possibly be? Do we really need to go through at today's level an $11 million study again in 50 years and maybe we can mitigate that through this process.

The CHAIR. Try to wrap up, if you can.

Mr. PRATT. Will do.

Last there's two things.

There's a land exchange legislation that you have sponsored in DC that is very apparent that the U.S. Forest Service lands were not acquired as originally intended with the project in 1963. That empowers the U.S. Forest Service to mandate conditions on the project that are not necessarily conducive with local economic development efforts. So we appreciate your sponsorship on that, Chairman.

We've already covered the no additional.

Thank you, Madame, for hosting this here. We will stand by to answer any other questions you may have about this project.

Thank you.

[The prepared statement of Mr. Pratt follows:]

PREPARED STATEMENT OF JIM PRATT, EXECUTIVE DIRECTOR, SABINE RIVER AUTHORITY, STATE OF LOUISIANA

INTRODUCTION

This written statement is submitted on behalf of Jim Pratt, Executive Director of the Sabine River Authority, State of Louisiana (SRA-Louisiana). SRA-Louisiana, established by the Louisiana State Legislature in 1950, is an instrumentality of the State that provides an essential public function on behalf of the citizens of Lou-

isiana, which it serves. Its primary statutory mission is to conserve, store, control, utilize, and distribute the waters of the rivers and streams in the Sabine River watershed for multiple public benefits, including domestic use, agricultural production, manufacturing and other industrial and commercial purposes, hydroelectric power production, navigation, recreation and tourism. SRA-Louisiana's operations extend to the parishes of De Soto, Sabine, Vernon, Beauregard, Calcasieu, and Cameron, which lie within the watershed of the Sabine River and its tributaries.

The governing authority of SRA-Louisiana is a thirteen-member board of commissioners, each of which is appointed by, and serves at the pleasure of, the governor. SRA-Louisiana is a self-sustaining entity that has no taxing authority and does not receive appropriated funds from the State of Louisiana. Today, SRA-Louisiana has 64 employees and an annual operating budget of $9.8 million.

OVERVIEW OF TOLEDO BEND PROJECT

SRA-Louisiana's most significant responsibility is the Toledo Bend Project (Project), located on the main stem of the Sabine River in the parishes of De Soto, Sabine, and Vernon in Louisiana, and the counties of Panola, Shelby, Sabine and Newton in Texas. In terms of both surface area (approximately 180,000 acres) and storage capacity (approximately 4.5 million acre feet), Toledo Bend Reservoir is one of the largest water bodies in the United States, and is the largest reservoir in the nation that is not owned and operated by the federal government. SRA-Louisiana manages the Project with its co-licensee, the Sabine River Authority of Texas (SRA-Texas). The Project is the only hydropower facility in the United States that is co-licensed by the Federal Energy Regulatory Commission (FERC) to two states through governmental units of those states.

The Project was conceived, licensed, and developed primarily as a water supply facility, but also provides hydroelectric power production, economic development, and public recreation. The Sabine River Compact (Compact), signed by representatives from Louisiana, Texas, and the United States in 1953 and approved by Congress, apportions the waters of the Sabine River Basin below the northern state line of Louisiana equally between the two states. Prior to its construction, the Federal Power Commission (FPC), predecessor agency to the FERC, granted a 50-year license to the Authorities in 1963. The Authorities completed construction and commenced operations of the Project in 1969.

Today, the Project has the capacity to produce approximately 240,000 megawatt hours of clean, renewable energy annually-enough to power about 16,000 homes in Louisiana. Toledo Bend Reservoir also provides water supply for local municipalities and industries, as well as supports jobs and businesses throughout the lower Sabine River Basin through the provision of a dependable water supply. In fact, Toledo Bend is the largest unallocated supply of fresh water in Texas, and the reservoir is considered crucial to meeting future water demands in the region, which are expected to increase in Texas alone by 92 percent over the decades between 2010 and 2060. Finally, Toledo Bend supports a world-class bass fishery, which supports economic development in the region through the numerous recreational opportunities provided by the Project.

PROJECT AREA

The Toledo Bend shoreline is approximately 1,200 miles in length-longer than the entire west coast of the continental United States. In Louisiana, the shoreline offers numerous public recreation facilities, commercially owned marinas and other businesses, private docks and boat houses on lands leased to adjacent landowners, and undeveloped lands. While a similar land use pattern also occurs in Texas, the shoreline area in Texas also includes approximately 4,000 acres of federal lands administered by the United States Forest Service as part of the Sabine National Forest, as well as the Indian Mounds Wilderness Area (IMWA). IMWA was congressionally designated in 1984-more than 20 years after the original Project licensing and 15 years after Project construction. No Project structures, facilities or works occupy lands within IMWA.

PROJECT PURPOSES AND BENEFITS

In addition to serving as a key source of water supply to meet the municipal, industrial, and irrigation water needs for both Louisiana and Texas, and providing low-cost, emissions-free renewable energy to ratepayers in Western Louisiana and Eastern Texas, the Project is a significant economic engine in the region, supporting jobs, tourism, and local businesses. Among the economic benefits made possible by the Project in Louisiana are the Cypress Bend Conference Center, two state parks, many private businesses dependent on recreation at Toledo Bend, and the large new

Sasol plant planned for Southwest Louisiana. We believe that in the coming years, as water shortages increase in parts of the United States and natural outdoor environments continue to confront development pressures, the Toledo Bend Project will become an increasingly valuable asset of the States of Louisiana and Texas.

RELICENSING PROCESS

The Project operates under the license issued by the FPC in 1963, which expired at the end of September, 2013. The Authorities' application for a new license was filed in September 2011 and currently is pending at the FERC.

The Authorities developed the license application through an 8-year process that included the development and filing of a notice of intent to apply for a new license and pre-application document, extensive environmental scoping and studies, and 5 years collaborating with all relevant federal and state agencies and the interested public both before and after the application for a new license was filed with the FERC.

The relicensing process also involved a successful comprehensive settlement with federal and state resource agencies, reached after more than a year of intense settlement negotiations. The settlement sets forth mutually agreeable terms and conditions for the operation of the Project over the new license term, and includes measures that protect and enhance fish and aquatic resources, public recreation, water quality, and preserves the value of hydropower production and water supply.

In addition, as part of the relicensing effort the Authorities have proposed to construct a new renewable generating facility in Louisiana to take advantage of water releases from the Project spillway, which is expected to produce approximately 11,600 megawatt hours of renewable energy-enough to power about 800 homes in Louisiana each year.

This onerous relicensing process has come at considerable cost to the two Authorities, as follows:

- The relicensing process costs (e.g., environmental and engineering consultant fees, environmental studies, legal expenses, document preparation, and other related expenses) have totaled over $10 million since inception, and the Authorities expect a total expenditure of over $11 million by the time the license is issued later this year.
- Capital costs associated with implementing new license measures are estimated at $3.6 million (not including the capital costs of the new small generating facility at the spillway).
- Annual costs associated with operation and maintenance of new protection, mitigation, and enhancement measures set forth in FERC's staff preferred alternative (which includes measures in the relicensing settlement agreement) are estimated at $3.7 million.
- In addition, the Authorities estimate that they lose $ 2.6 million in revenue each year as a result of enhancing recreation at Toledo Bend Reservoir by restricting normal hydropower production to periods when Toledo Bend Reservoir is above 168 feet mean sea level (msl) (even though the Project was designed to draw reservoir levels down to elevation 162 feet msl for power generation).

Together, these costs will increase the Project's total operating costs by more than $7 million each year over a 50-year license term. For a Project with current operating costs of approximately $16.5 million annually, these relicensing costs substantially increase the Project's total operating costs by nearly 44% annually, even if the FERC issues the statutory maximum new license term of 50 years. Of course, this increase would be even more substantial if the FERC issues a new license for less than 50 years.

LAND EXCHANGE LEGISLATION

The Authorities very much need the enactment of S.1484, the Sabine National Forest Land Exchange Act of 2013, of which Chairman Landrieu is the lead sponsor. Senators David Vitter (R-LA) and John Cornyn (R-TX) are also original sponsors of this legislation. This legislation would remove some aspects of federal oversight under the FPA that potentially could cripple the many benefits provided by the Project on a going-forward basis. Currently, the presence in the Project of approximately 4,000 acres of federal land administered by the U.S. Forest Service imposes a considerable regulatory and cost burden on the Authorities, both now and into the future. The legislation sponsored by Chairman Landrieu, Senator Vitter and Senator Cornyn would remove these challenges and ensure that the Project can continue to be a valuable asset of the people of Louisiana and Texas.

The existence of Sabine National Forest lands within the Project gives "mandatory conditioning authority" to the U.S. Forest Service under section 4(e) of the FPA. This broad authority allows the U.S. Forest Service to impose upon the Authorities' FERC-issued license any conditions it believes would adequately protect and utilize Sabine National Forest. Because the U.S. Supreme Court has held that FERC has no authority to modify or reject these conditions, there is no guarantee that a future FERC-issued license will be balanced in the public interest for both developmental and non-developmental values, as required by the FPA. Given the unique structure of FPA section 4(e)-where one agency can override the action agency's overall licensing authority-there is little opportunity in the relicensing process for the Authorities and other hydropower licensees to challenge the factual merits of the conditions.

Fortunately, the Authorities were able to work closely with the U.S. Forest Service in the current relicensing process and resolve all their issues through a negotiated settlement of the FPA section 4(e) conditions that will apply to the new license. SRA-Louisiana fully supports these negotiated settlement terms and is willing to implement them as a co-licensee of the Project. In a future licensing proceeding involving the Project, however, the Authorities should not be subjected to the risk that the U.S. Forest Service could impose onerous or crippling conditions to protect its narrow interests at the expense of the broader purposes of the Project.

While all lands involved in this matter are on the Texas side of the Project, Louisiana is liable for one-half of all the costs of the Project. Thus, we share the interest of SRA-Texas in removing all federal land from the Project.

In addition, removal of Sabine National Forest lands from the Project, together with the assurance that other non-fee federal interests in Project lands would not trigger land use fees under FPA section 10(e), would remove the threat to the Authorities to pay extraordinary federal land use fees to FERC. According to an estimate by the Authorities, these FERC fees could be as high as $3 million annually, which would wreck the economics of the Project. The FERC is not collecting these fees from the Project for two reasons: (1) the FERC has found that Project power is provided to consumers without profit; and (2) the FERC has determined that it will not collect these fees at all from anyone right now, but has not rejected its authority to collect these fees. The potential liability of the Project for these fees is exacerbated because a prior land exchange in the 1980s retained the federal government's "power site reservation" on over 30,000 acres of lands inundated by Toledo Bend Reservoir. This "power site reservation" is the alleged basis of this fee by the FERC. The Authorities are pleased about the refusal of the current FERC to collect these fees, but also are keenly aware that a future FERC could change this position and determine to collect these excessive and unjustified fees in the future. Because any further change in FERC policy could be devastating to the Project, SRA-Louisiana supports a legislative solution that removes FERC's power to collect fees for any interest in federal land at the Project.

NO ADDITIONAL RELICENSING PROCESSES

Finally, SRA-Louisiana questions why this Project should undergo another relicensing in 30 to 50 years. At that point, the Project will have been operating for 80 to 100 years, which provides ample time to fully understand and address environmental effects of its operations. The comprehensive, complex, costly and time consuming "audit" of the Project-which is what the re-licensing process is all about-against the full spectrum of environmental laws of the nation will be completely unnecessary. The Project has now been through an original licensing and, very recently, a relicensing. SRA-Louisiana has no objection to remaining under the jurisdiction of the FERC according to the terms of our settled license conditions, which will contain sufficient authority to reopen the license, where justified, to address any implementation issues that might arise at the Project.

We view this entire costly application process for a new license in 30 or 50 years to be an imposition of government expense of questionable value. This Project is an asset owned by the people of Louisiana and Texas, and it is the only FERC-licensed Project in the nation that is owned by two different states. This Project is not operated for profit, but for the benefit of the people of Louisiana and Texas. Therefore, we ask Chairman Landrieu to do all in your power to relieve this Project of incurring another major expense-which may be much greater in 30 or 50 years than our current relicensing-occasioned by the requirement to seek a new license periodically.

CONCLUSION

Thank you, Madam Chairman, for your great interest in the success of the Toledo Bend Project and for this hearing that you are conducting here today on the Project. We appreciate your support and your leadership in Congress to address issues that

will enable this important state asset to achieve its full potential as an electricity producer, a water supply facility and an engine of economic development for Western Louisiana.

We welcome your questions about the Project, Madam Chairman.

The CHAIR. Thank you very much, Mr. Pratt.

Ms. Curtis-Sparks.

STATEMENT OF LINDA CURTIS-SPARKS, DIRECTOR, SABINE PARISH TOURISM COMMISSION

Ms. CURTIS-SPARKS. I want to add my appreciation to Senator Long's remarks in you bringing this Commission to us today because the story and I'm going to tell more of a story today.

I'm going to speak to you as a resident because if you had 250 people in this room there would probably be 5 of us that lived here prior to Toledo Bend being built. So we can tell you the wishes or what the people then thought it would be. I will speak to you with a little bit of knowledge from my time as Director of the Sabine River Authority. I will tell you today of what's happening with tourism and retirement development as the Director of the Sabine Parish Tourist Commission.

Sixty-six years ago this past Monday, a group of businessmen from about 16 miles as the crow flies Edgefield, that area, to about 16 miles into Many were very concerned about who was going to take our—the most water out of Toledo Bend and how they were going to be sure that both states got their equal share. At that time this was a very poor rural agricultural area as was Desoto to the North and Vernon to the South. So these people were really concerned.

Out of that grew the legislation that established the Texas and Louisiana River Authorities. For the next 20 years they went through conceptual studies and gaining the financing took about 7 years and the construction——

The CHAIR. Linda, I just have to say you were 5 years old.

Ms. CURTIS-SPARKS. Almost.

[Laughter.]

The CHAIR. But go ahead. It's a great story.

Ms. CURTIS-SPARKS. OK.

I was at the ground breaking. I was at the dedication. I know what the people thought it was going to be.

At that time we envisioned lots of factories coming because we were going to have all the water it took to attract those. You can go back and you can look at the Shreveport Times and the Longview papers. They had big pictures of big factories.

It never happened. I'll state up front because I have been involved in the area so long, its people often ask why has it never happened?

Senator Long mentioned, you know, you can go still to places in Louisiana that don't know about Toledo Bend. I hear all the time people in Louisiana that have never heard about Cypress Bend. I work that market.

I don't know in my lifetime if we'll ever get that word out.

But the two things that, in my opinion, have really held this project back is when we finally got it built. It was truly a miracle

that it was built. It was built, as you know, by the people of Texas and Louisiana without any Federal assistance.

There was no infrastructure built. The roads and the water to create those industries coming in was not put here. So those people that came to Toledo Bend in those first years, I personally traveled 26 miles on a dirt road to fish at Toledo Bend. So it just wasn't here.

So those first 20 years of Toledo Bend it didn't happen because there was just no infrastructure. We had a lot of local people that put in a lot of local marinas. By the end of that first 20-year period, by the first of say, 1990, we had 2,600 homes and camps, most of them were camps that were kind of shotgun camps. We had very, very few really nice homes in Toledo Bend at that time.

We had 204 hotel rooms on this lake that you could rent to the public to come to Toledo Bend. So we couldn't market Toledo Bend on a national level in 1990 because we didn't have any place for them to stay. We didn't have North and South Toledo Bend and some of the things we have then.

So the River Authority did adopt, in my opinion, an aggressive economic development program.

They built 33 hard surface roads.

They built Cypress Bend.

They cleared and marked broke roads.

They started restocking the lake.

Within a 5-year period we saw a significant economic change.

We, at that time, went from 2,600 homes to 5,600 homes in 5 years. Now those numbers and I want to explain this in case you go out and check with our Assessor's Office, because we now have just about 6,000 on the row. But most of those homes and camps that were here in 1969, those mobile homes, have ceased to be. Those camps have been replaced with $300,000 to $1.5 million homes.

So we still have about, at this time, 6,000 homes or structures along the 80 percent shoreline, about 480 miles of shoreline in Sabine Parish.

Now the, because of Cypress Bend, and Cypress Bend was part of that economic program. It was built to give the banks a property comparable. It was built to give the banks an occupancy comparable because at that time about 30 of our old marinas had been owner financed and sold for too much money that you couldn't drive to pay off a $300,000 note with 5 cabins and a boat ramp. So those owners have taken them back and taken them back and taken them back over the years.

Since Cypress Bend was built we now have 750 rentable rooms. We now have about 800 RV pads. So we're getting close to 1,600 rentable units on Toledo Bend. About 17 times out of the year those rooms are all full. So we max out at many times of the year.

Coming forward the next 15 years we continue to experience the same problems we had in 1969, are the same problems in 2009, is that the infrastructure on Toledo Bend still holds back the development of Toledo Bend and people that come in from Houston which is one of our main areas to draw from, South Louisiana to that area they don't understand because they look at Lake Livingston

and Lake Conroe and it's house to house and it's businesses and multiple restaurants.

But we can't a Holiday Inn Express on this lake because we don't have water for fire protection. We don't have sewer. Of those 6,000 homes, probably, maybe 5 percent are serviced by a sewer system, a community sewer system. The rest of them are on individual units. So when business gets ready to come into this area they have to put in sewer and water. You're just not going to get it.

The other thing, the second thing, in my opinion, that has held back the development of Toledo Bend is that we are a small, rural parish where you have 80 percent of the lake. Senator Long will tell you when you go to Baton Rouge and he represents 4 other parishes and our Representative represents 5, you don't get State money to bring home. It's very, very difficult. He can tell you those challenges because our Senators and Representatives have fought it for years.

The only way that we got money to build Cypress Bend, we've brought all of them up here and we told them the story. They saw the economic value. So it is a struggle indeed.

I turn it back to sewer and water.

On the positive side you will see tomorrow that ESPN story that Jim talked about that was filmed here a couple of weeks ago. We had the top pros in the world at Toledo Bend. They come because it is a fabulous fishing resource.

On the negative side that wonderful tournament that's down at that arena today has 2,500 people. I asked Bob Seeley yesterday why can we not get 7,500 like Rayburn's got or had 3 weeks ago? He said you can't get them because I can't bring out-of-State people in because you still don't have the lodging. You don't have the rooms for them, plus the quality of rooms.

So I close with this remark. We really appreciate the efforts that you have made in helping the River Authority work through the issues with FERC. We hope that you will be successful in getting a 50-year license because the cost of the authorities when they have such a small amount of money to operate on to meet the recreational needs of the future, are going to be really difficult.

We would ask that it never have to be licensed again. But for the FERC license or the requirement of the FERC license as we go forward to take 40 or 45 percent of these authority's revenues to address the needs in there. We ask that you do all that you can in that area to help lower that cost.

The CHAIR. Thank you for that impassioned testimony. You bring such depth of experience and the knowledge having been here from, in large part, from the beginning. I'm going to have several questions to ask you after we have our other panelists.

But let me just say that you have a champion in me. I've said that to you privately and publicly to develop in the most appropriate way for the benefit of this region, as well as for the benefit of the whole State and Nation, but for this region, the people that live here to see the true benefits of this extraordinary asset. So I look forward to continuing to work with you. Thank you so very much.

Mayor Freeman.

STATEMENT OF KENNETH A. FREEMAN, MAYOR, TOWN OF MANY, LOUISIANA

Mr. FREEMAN. Senator, contrary to President Putin of Russia, we want to welcome you to Toledo Bend country.

[Laughter.]

The CHAIR. Thank you.

Mr. FREEMAN. Let you know you are always welcome to join us. We look forward to and appreciate your being here.

Ms. CURTIS-SPARKS. Thank you for enlightening me.

Mr. FREEMAN. I too was here when the lake was built. I remember those discussions as to why it was important, what would happen, what our hopes and dreams would be, if this came to pass. As you're well aware the lake was built to accomplish many, several goals for the people and the citizens of Northwest Louisiana and Northeast Texas.

One was to generate electricity.

One was to provide a reliable source of water for industry.

To create recreation and tourism.

Since its completion Toledo Bend project has not disappointed.

Since its completion the lake has continually generated electricity to help feed the growing demand for energy in America.

Since its completion water sources have been consistent and good water to the point where just recently whether you agreed with the concept or not. Dallas came to Toledo Bend to ask to buy water which to me underscores the fact that our children are going to be faced with some tremendous challenges to meet the essential resources to meet the demands of an ever growing human population.

Tourism and recreation.

Today Toledo Bend is recognized as the second most visited tourist attraction in the State of Louisiana. A pleasant surprise because of the tourism coming to Toledo Bend another industry has sprung up that's important to our economy and that's retirees. Today Toledo Bend is one of the fastest growing destination points for retirees in Louisiana.

So those of us who were here from the beginning know that Toledo Bend is not just a sportsman's paradise.

We know it's not just a big old hole in the ground with a lot of water in it.

We know that it is the engine that drives our economy.

However, this engine can't roar to its fullest potential until we accomplish one more goal and that's transportation. The people of Many have worked diligently for the last 25 years to expand our airport and are pleased to report that within 5 years jet planes will be able to land, for the first time, in Sabine Parish.

I have served on the El Camino Real Commission for the last 23 years. It's a 5 State commission to 4 lane highway 6 from New Brunswick, Georgia to El Paso, Texas. I'm keenly interested in four-laning from Pendleton Bridge to 49, opening up Toledo Bend country, allowing that economic engine to produce more than we ever imagined.

We here today are asking you to continue to support the Toledo Bend project and help us accomplish these goals so that this area can reach its fullest potential and in doing so build a stronger North Louisiana for generations to come.

The CHAIR. Thank you, Mr. Mayor, very well done.
Mr. Ruffin.

STATEMENT OF WILLIAM RUFFIN, PRESIDENT, SABINE PARISH POLICE JURY

Mr. RUFFIN. Thank you, Senator.
The CHAIR. President Ruffin.
Mr. RUFFIN. As the other panelists have already done, stated beforehand, we're very pleased to have you here with us in Sabine Parish. On behalf of the governing body of the Parish and the citizens of this entire Parish, we certainly salute you. We'd like to commend you for your new appointment and even though this is not a political committee, we don't dare think of not keeping you in the position that's so vitally important to the State and the citizens of Louisiana and this entire Parish.

As for the Toledo Bend project I'd like to emphasize continue with the same things that others have mentioned, the importance in terms of recreation and economic value. It is quite obvious that the police jury and the citizens depend upon the economic value. That's so vitally important to all of them, the taxes that's drawed from the Lake, Toledo Bend Lake.

But I would also like to emphasize the importance of recreation thanks to Toledo Bend Lake Association, the Authority, the Tourist Commission. The Toledo Bend Lake has attracted retirees, that the Mayor just pointed out. They don't just come here to fish, recreation seasonal. We still have that.

But since the lake opened, yes I remember that too, there have been a number, as Linda pointed out, a number of people that have come from all over the country and retired in this area. There's very seldom mention the human resource that's brought on by the lake. We benefited from people from all over this country that come here to retire. They bring their expertise.

Yes, they do retire, but very few of them come here just to fish. Even if they do, they find themselves becoming very active throughout the community.

We have one example. An individual from the Lake Association that served on the Authority was voted citizen of the year in Sabine Parish just a few years ago. Those people are very, very important to the development of this Parish and to the lake. We certainly hope you will continue to support the growth and development of the lake for all the reasons have been mentioned.

I am very pleased to point out, thanks to Senator Long and Representative Frank Howard, the Police Jury appointed a long range water planning committee to study the feasibility of water. Water is so vitally important as you've heard any number of times. It is very important. We recognize that.

But we have a committee. Next week we're going to appoint an engineer. Thanks to Senator Long and Howard, we received a grant to do a long-range study for water in Sabine Parish. The Police Jury will appoint an engineer next week so that we can get started on that study, the feasibility study. We're going to rush that right through so we can go on with the plan of developing water for the citizens in this entire Parish.

As has been pointed out any number of times before, the growth of Toledo Bend and Sabine Parish is hindered by the lack of water, the availability of water as so vividly have been pointed out in a number of cases before. But we're working on that. We certainly hope that you would assist in the continued growth of that.

We know we have the support of Senator Long and Senator Howard, our State led. But we also know that Northwest Louisiana, we are aware the location. It's a little different from South of 10.

It is difficult to receive those funds. But we have very strong legislators that are working diligently to help provide. We certainly appreciate all the support that you can give us in that endeavor. We feel like the future of Sabine Parish depends largely on the growth of Toledo Bend.

All that you can do and we welcome you back numerous times. We want you to come back. I remember before when Linda had you here. We went down and I would invite all of those of you that are here and encourage others. We were able to travel by barge down the lake and to just look on the shores at the growth of Toledo Bend. It is fantastic.

I'm very proud to say, Toledo Bend, Sabine Parish is my home. When we walk out at Cypress Bend and we went through that endeavor. I've been on the jury for a couple of years too when we had to struggle to get Cypress Bend even built. It was indeed a struggle.

But it has been good for the Parish. We certainly appreciate your continued support in that.

The CHAIR. Thank you all very much, really appreciate the testimony today.

Let me just begin by getting a few questions on the record to you, Mr. Pratt. Then I have some additional questions for the panelists.

The Sabine River Authority as you testified today has spent $11 million on, approximately $11 million, I think you said, on reauthorization. How much money, roughly, would the Authority save if you can or we can secure the 50-year license instead of the 30 or 40 year?

Have you roughed that savings out?

Mr. PRATT. Apparently the initial cost of the $11 million is gone. The good news is is that the last time we went for a rate negotiation with the power companies we had an $8 million estimate. So we recovered that.

But the reality——

The CHAIR. I'm not—can you make that clear to me? I'm sorry. You've already spent the $11 million to date with the reauthorization.

Mr. PRATT. Yes.

The CHAIR. But when you renegotiated your power you got an $8 million plus over what you were expecting?

Mr. PRATT. No. It was factored into our current rate. But that rate goes away here within the next year or two. We'll have to start over.

But once we've made that expenditure though and the real challenge that we're going to have, Senator, is is that there are mandates and additional obligations under the terms of the new license that we agreed to that will cost us an extra amount per year.

The CHAIR. OK. Let's talk about what one or two of those just might be.

Mr. PRATT. Sure.

The CHAIR. If you have it. Just as clear as you can be, one or two requirements that are going to increase your operating cost.

Mr. PRATT. One of those that was very apparent is is that the amount of water that we were releasing through the power plant we've had to adjust that somewhat. It diminishes a little bit of our power production on an annual basis.

The CHAIR. You've been required to reduce it or increase it?

Mr. PRATT. Reduce it.

The CHAIR. Reduce it.

Mr. PRATT. Reduce it.

The CHAIR. For what reason?

Mr. PRATT. For what reasons? It was a balancing of the flows downstream. There wasn't any real albatross or anything that was out there. But it was just concerns that the resource agencies had that we were releasing large slugs of water. Then when we quit generating then it was down to a very minimal amount.

We agreed with them to work with them. Now we didn't go——

The CHAIR. You agreed to make it a more steady flow?

Mr. PRATT. Yes, Ma'am. Yes, Ma'am.

The CHAIR. Instead of the surge?

Mr. PRATT. Right.

The CHAIR. That's going to reduce a little bit of your income?

Mr. PRATT. It will because some of that constant flow will actually be released through our spillway rather than the power plant itself. So there's no power generated when we do that.

Now as an alternative condition that we've asked for in the license is that we try to capture some of that release at the spillway in a mini hydro unit. We won't know for sure until we get the license and then see if that will be economically feasible.

It won't produce a whole lot of power. But again, trying to capitalize on if we're going to release water for environmental purposes, run it through a small turbine and that will offset.

In addition what strikes me most is that the Federal lands that the U.S. Forest Service owns along the shoreline. We——

The CHAIR. On the Texas side?

Mr. PRATT. Yes, Ma'am. That are on the Texas side, but of course we're jointly responsible for the administration of those lands. We planned that we will be doing some historic surveys on those lands at their demand, basically, over the next several years.

Now once your bill moves forward and we can exchange lands with the Forest Service and own them ourselves, then that will mitigate our future cost of having to do archeological surveys on public land.

The CHAIR. OK.

Senator Long, let me ask you this.

Do you think or could you describe the level of understanding currently, not only yours, but not so much yours because you clearly understand it. But among the Governors that you've served with, among legislators that you've served with in both parties, do you think that there is an understanding about the value of this particular resource and how, if a few things could be done and strong-

er partnerships it could really develop more along the lines of what Ms. Curtis-Sparks and Mayor Freeman and President Ruffin have outlined?

Mr. LONG. Senator, that's a great question. I think people understand the significance of a global concept or a national concept of water. We're beginning to see that pretty clearly as we look at the fact that 36 states currently are in a drought condition or semi-drought condition.

What has not yet hit home in Louisiana is the significance of the role of Toledo Bend in mitigating some of these issues that are national in scope. Now look, I felt very strongly to protect the integrity of our water here. But we have to realize also that we have a diamond in the rough and that 90 percent of our water in Toledo Bend eventually ends up in the Gulf of Mexico.

So we've got to be proactive in figuring out how we can manage this valuable resource. No one that I know would deliberately give away 90 percent of their assets. So we do not understand how this wonderful situation that we've inherited with the growth of our area in our State and Toledo Bend fit together.

The CHAIR. That's exactly my point. I'm so glad you raised it because initially when this was built the idea was that the hydropower and electricity would be the driving value. It is clear today after 50 years that the driving value is the water itself. So that the Authority has a very significant responsibility to manage that water for the highest and best use of the communities in which it serves.

It's a little bit unsettling and ironic that I hear the testimony that Toledo Bend is sending all the water necessary for international plants to operate, but the community that lives here can't get clean drinking water or water enough for its development of its subdivisions and schools and you know, commercial developments. It's a little bit unsettling here.

Mr. LONG. Senator, if I——

The CHAIR. So help me understand what you think or what the Authority thinks is its responsibility to the local communities, particularly the 3 parishes of Sabine, Desoto and Vernon and then you've also got Beauregard, Calcasieu and Cameron, but Sabine, Desoto and Vernon.

Mr. LONG. Let me address that briefly. Others here certainly have greater knowledge than I do on this.

The grant that Mr. Ruffin spoke about is a $13 million capital outlay which I was able to put into and work with the Administration. Now the caveat on that, under some of the rules we've passed at Baton Rouge which aren't necessarily, in my opinion, favorable for small parishes, require a 25 percent match. In other words if I get $13 million, $3.2 million of that has to be paid locally.

I want to say this again without politicalizing anything. We worked with the Administration very closely. We were able to get that $3.25 million waived.

The CHAIR. That is terrific.

Mr. LONG. As a results of that——

The CHAIR. That is a great effort.

Mr. LONG. Yes.

The CHAIR. Congratulations because I have something to say about these matches. But thank you for doing that.

Mr. LONG. But to answer your question is that without a doubt the 3 parishes that surround the lake itself are the ones most influenced. We believe that once this project, this $13 billion project is implemented it could well address, perhaps as much as 80, 85 percent, of these ongoing issues that have been, obviously, a problem in expanding them.

The CHAIR. A barrier for expanded economic development.

Mr. LONG. Yes, exactly.

The CHAIR. Whether it's retirement communities, whether it's additional, you know, lodging and hospitality, whether it's small, commercial enterprises and restaurants and you know, hardware stores and you know, auto mechanic supplies, shoe repair. I mean, you could just think of when you bring in people that come in either to live permanently throughout the year, particularly for seasonal. You know, they come in, spend a lot of money.

Don't really rely a lot on the resources. I mean, sometimes families come in just for vacationing. You don't have to give them too much hospital care. You don't have to give them schools. You don't give them too much policing.

But they spend a lot of money while they're here. So they're kind of the best kind of dollar you can generate for your community. All they really want to do is spend their money in your community. Then they leave to other places. That's $1.00.

The other dollars are attracting long term, you know, annual residents that can come in, that do have access to good schools, hospitals, you know, key shopping opportunities so families can think that they can.

I have to say one of the other reasons that drives me to this table now is because of the great benefit this is to Fort Polk. You all know as one of the great characteristics or assets that we put on the table to the Pentagon when they're looking around closing some of our joint training bases. We had said why would you close Fort Polk when we've invested over a billion dollars of infrastructure in housing? The State, because you all have, as well, worked with us to put in some additional infrastructure to Fort Polk and the soldiers and their families at Fort Polk have access to a world class recreational, you know, facility, Toledo Bend.

That scores a high mark in the Pentagon when they're looking at well, we should probably not look at closing Fort Polk core. So that is another economic driver for this whole region that is in some ways directly related to what happens here. So that military piece is really, really important.

President Ruffin, let me ask you this. Have you all estimated for your parish what the sewer build out might be for supplying or wait, I'll come back to you ask you, Linda, too, the, you know, just the basic water, sewer connections that would allow the kind of just regular development that goes on in subdivisions and communities throughout the State.

Do you have a rough estimate of what your cost might be there?

Mr. RUFFIN. It would be extremely difficult because we have not looked into that. But we do understand without the long range water planning that we spoke of.

The CHAIR. Right. You can't do the development.

Mr. RUFFIN. It is totally out.

The CHAIR. So until you get the study done it's hard to figure out what it's going to be.

Mr. RUFFIN. It's going to be because we don't have it and we've not had it before. This is new.

The CHAIR. So this is going to be a great first step that Senator Long has managed to secure for you all.

Mr. RUFFIN. It certainly is.

I might point out that this study was hindered because when the jury was confronted with this it was totally out of the question if we had to do that now.

The CHAIR. Let me say a word about the match because I say this all over the country and I'm going to say it right here. I think it is wrong headed policy for the Federal Government or for State government, Senator Long, to require the same match for urban and rural and the same match for densely populated areas and sparsely populated areas.

If you think about it when we pass laws and we do this, unfortunately, all the time at the Federal level and at the State level, where we give out grants but you can only access the grants if you can come up with the match. If you think about what happens over time as all taxpayers send money to the State, rich and poor alike. All taxpayers send money rich and poor alike to the Federal Government. But the only counties that can pull the money back down are the richer parishes because they're the only ones that can afford the match.

It is an absolutely self defeating system that has to stop.

Now I'm an appropriator. I've been an appropriator since I was 23 years old. I have been trying to get this changed. To some degree, have by doing exactly what Senator Long did by occasionally getting enough power to waive the requirement.

But that policy has to change. It should be stricken from our laws. There should be a graduated match with the poor parishes being able to put up like a 5 percent or a 10 percent. The middle income parishes put up 15 or 20. The wealthier parishes actually put up a 30 percent match. That would make everything much more fair whether you're talking about highways or water or sewer, etcetera.

So I'm going to continue, you know, to speak about this. I'm making very incremental progress.

But thank you, Senator Long, because it's just absolutely unfair to a community that's a rural community and can't, you know, pool together sometimes the resources it needs to claim the funding that is truly theirs.

The other thing is I hope the local authorities with the assessors and these parishes will look at the increased revenues that are coming to the parishes based on the development here. Linda, as you said, people aren't living in trailers, they're living in million dollar homes.

Those homes are being assessed. They're paying property tax. Same exact thing is happening in Grand Isle. You know, the generation of wealth in Grand Isle and it all goes to Jefferson Parish, but I keep telling Jefferson Parish, you should share some of that

revenue back with Grand Isle because they're a small, little place, but they're generating, they're a generator of income for Jefferson Parish.

So it's sort of the same thing up here that you've got these communities that are generating income to the parish. I hope the parish will be sensitive and help you continue to invest back in this community for it to grow for, you know, public access, boat launches, all the things, new lodging, etcetera.

So do you want to add anything? We're going to wrap up in just a few minutes.

Ms. CURTIS-SPARKS. No, I think it is important though, because this is a regional project too, for your records is that several of them, Ken and Mr. Ruffin have mentioned the retirement development which I did not touch on a great deal. But about a third of the retail value of those that have settled here goes to Shreveport, Bossier and to Rapides and so that is one help that Senator Long can gather those people. But when he has, as I said, he's one vote and you have 17 in Lake Charles and you have 55 in New Orleans, it's hard for him to be able to bring that money up here.

We just got a time in a lifetime here. We're very appreciative to him.

But the retirement value of that or the economics, I want you to understand, is just not for Sabine Parish. In fact, the State of Louisiana last year recognized what you mentioned. They put $200,000 into internet marketing for Vernon because of Fort Polk, Toledo Bend, because of the retirement here in Shreveport Bossier. They just put another $125,000 into marketing for the month of May because it has generated so much interest in our areas.

Incidentally, Toledo Bend beat Shreveport Bossier, you know, which is a real plus. But other people——

The CHAIR. Beat them in what way? Beat them in what way?

Ms. CURTIS-SPARKS. Toledo Bend beat Shreveport Bossier as far as the Google analytics, the number of people that it drove to us, to our website verses Shreveport Bossier's and Vernon's. So there's tremendous interest out there.

But we're continually telling the story. It's not just the benefit of those retirees to Sabine. Those people go to Shreveport Bossier for medical help. They go they buy cars and boats and appliances, same thing to Rapides.

So it is a regional benefit from that economic development that is being done here in Sabine Parish.

Mr. FREEMAN. Senator, to underscore what Linda just said. In the last 30 years I've seen the sales tax revenues for the citizens of Many increase 97 percent. That's significant in real dollars.

So it is——

The CHAIR. Identifying where those drivers of that increase sales tax are coming from and increased property taxes and then having the local officials reinvest in the areas that are generating it will help the whole community grow.

I'll continue to work with you all on that informally. But I'll continue to work with the Authority officially through the reauthorization of FERC to see what I can do to strengthen the Authority to help them save as much money as they can in their petitions and relicensing to the Federal Government so we can generate, maybe,

some additional resources that could be spent right here at home at the Louisiana side of the Sabine. Also help out our Texas friends on their side as well.

Let's go for one 30 second closing comments.

Senator Long, just anything that you want to put on the record that hasn't been put that you think should be?

Mr. LONG. Again, as I have commented earlier water is going to be absolutely the driving force, not only in Louisiana but throughout the Nation. We have a diamond in the rough. If we can figure out how to manage it properly I think you'll see an economic explosion that will benefit the entire State.

The CHAIR. Thank you.

Mr. Pratt.

Mr. PRATT. Yes, Ma'am.

Fifty-year minimum license, Federal land swap with the U.S. Forest Service and exemption from any FERC fees for occupying Federal lands.

Thank you.

The CHAIR. Thank you.

Lin.

Ms. CURTIS-SPARKS. I have to amen what Jim has said and mention just one quick thing that was not mentioned is that as far as your question on other things in the FERC license.

I think that SRA has made every effort to try to not hinder economic development with residents and businesses. But the shoreline development policy we would ask that it not require a great amount of funds in the future in meeting requirements because that's going to impact economic development.

The CHAIR. Absolutely.

Ms. CURTIS-SPARKS. If you would note that too. But thank you so much.

The CHAIR. Thanks.

Mayor.

Mr. FREEMAN. I agree with the world population from and 100 years going from 2 billion to 6 billion people on this earth to in the last 10 years growing another billion. Water is going to be essential and very valuable resource.

But for us here today transportation, again. You've got to be able to get in here and get out. I think that's going to be an integral role in developing it to its fullest potential, four-laning highway 6 at least to I49.

The CHAIR. Thank you.

President Ruffin.

Mr. RUFFIN. Yes.

One of the most important things and that you mentioned about reinvesting into the communities that develop the tax base and all. It is vitally important that we recognize the fact that as governing body of this entire parish it's pretty much like a family. Regardless to what one individual does that individual represents our parish, our family.

So is true with Toledo Bend Lake as to Toledo Bend community grows so does Sabine Parish. The governing body has the responsibility of making sure that the entire parish grows along with Toledo Bend and to polarize one group from another.

It is a difficult task because we've received so many resources from the lake area. But we have areas that don't receive just in the State of Louisiana and Northeast Louisiana. They don't get near as much as they do in South Louisiana. But then we still have to take care of Northeast Louisiana too.

The same is true with our parish government. We have to make sure that the entire parish is taken care of.

The CHAIR. Thank you.

Excellent note to end on. It's been a terrific meeting. We've all learned a lot. Put a lot on the congressional record that I think will help this community and our State for many years to come.

Meeting adjourned and thank you all so much.

[Applause.]

[Whereupon, at 11:44 a.m., the hearing was adjourned.]

[The following statements were received for the record.]

STATEMENT OF THE SABINE RIVER AUTHORITY OF TEXAS

This written statement is submitted on behalf of the Sabine River Authority of Texas (SRA-Texas). SRA-Texas, established by the Texas State Legislature in 1949, is an official agency of the State of Texas that provides an essential public function on behalf of the citizens of Texas, which it serves. We were created as a conservation and reclamation district with responsibilities to control, store, preserve and distribute the waters of the Sabine River and its tributary streams for multiple public purposes, including domestic use, agricultural production, manufacturing and other industrial and commercial purposes, hydroelectric power production, navigation, recreation and tourism. SRA-Texas's operations extend to all or part of 21 counties (Orange, Newton, Jasper, Sabine, San Augustine, Shelby, Rusk, Panola, Harrison, Gregg, Smith, Upshur, Wood, Van Zandt, Kaufman, Rains, Rockwall, Collin, Hunt, Hopkins, and Franklin), which lie within the watershed of the Sabine River and its tributaries.

We supply water to municipal, industrial and agricultural users throughout the Sabine River Basin. This is accomplished through the John W. Simmons Gulf Coast Canal System in Orange County, the Toledo Bend Reservoir, the Lake Tawakoni Reservoir, and Lake Fork Reservoir. Our customers include municipal and domestic clients with the largest being the Cities of Dallas, Longview and Greenville. We also have industrial clients, which include DuPont, International Paper and Texas Eastman.

SRA-Texas is governed by a nine-member Board of Directors appointed by the Governor of Texas to serve six-year terms. Board members are vested with the management and control of the affairs of the SRA-Texas, which receives no appropriations from the State and is not empowered to levy or collect any kind of taxes. Operating funds are primarily derived from the sale of raw water, hydroelectric power, water quality services, and recreational and land use permit fees. Currently we have 104 full-time positions and operate within a budget of approximately $21.6 million.

OVERVIEW OF TOLEDO BEND PROJECT

One of SRA-Texas's most significant responsibilities is the Toledo Bend Project (Project), located on the main stem of the Sabine River in the counties of Panola, Shelby, Sabine and Newton, and in the parishes of De Soto, Sabine, and Vernon in Louisiana. In terms of both surface area (approximately 185,000 acres) and storage capacity (approximately 4.5 million acre feet), Toledo Bend Reservoir is one of the largest water bodies in the United States, and is the largest reservoir in the nation that is not owned and operated by the federal government. SRA-Texas manages the Project with its co-licensee, the Sabine River Authority, State of Louisiana. The Project is the only hydropower facility in the United States that is co-licensed by the Federal Energy Regulatory Commission (FERC) to two states through governmental units of those states.

The Project was conceived, licensed, and developed primarily as a water supply facility, but also provides hydroelectric power production, economic development, and public recreation. The Sabine River Compact (Compact), signed by representatives from Louisiana, Texas, and the United States in 1953 and approved by Congress, apportions the waters of the Sabine River Basin below the state line equally

between the two states. In 1959, the States of Texas and Louisiana arranged for the financing of $30 million in revenue bonds for the Project; the sale of electricity from the Project's hydroelectric operations provided funds to pay for the revenue bonds. The Project is the nation's only public water conservation and hydroelectric power project to be undertaken without federal participation in its permanent financing. Prior to its construction, the Federal Power Commission (FPC), predecessor agency to the FERC, granted a 50-year license to the Authorities in 1963. The Authorities completed construction and commenced operations of the Project in 1969.

Today, the Project has the capacity to produce approximately 240,000 megawatt hours of clean, renewable energy annually—enough to power about 16,000 homes. Toledo Bend Reservoir also provides water supply for local municipalities and industries, as well as supports jobs and businesses throughout the lower Sabine River Basin through the provision of a dependable water supply. In fact, Toledo Bend is the largest unallocated supply of fresh water in Texas, and the reservoir is considered crucial to meeting future water demands in the region, which are expected to increase in Texas alone by 92 percent over the decades between 2010 and 2060. Finally, Toledo Bend supports a world-class bass fishery, which supports economic development in the region through the numerous recreational opportunities provided by the Project.

PROJECT AREA

The Toledo Bend shoreline is approximately 1,200 miles in length—longer than the entire west coast of the continental United States. In Texas, the shoreline offers numerous public recreation facilities, commercially owned marinas and other businesses, private docks and boat houses on lands leased to adjacent landowners, and undeveloped lands. It also includes approximately 4,000 acres of federal lands administered by the United States Forest Service as part of the Sabine National Forest, as well as the Indian Mounds Wilderness Area (IMWA). IMWA was congressionally designated in 1984—more than 20 years after the original Project licensing and 15 years after Project construction. No Project structures, facilities or works occupy lands within IMWA.

PROJECT PURPOSES AND BENEFITS

In addition to serving as a key source of water supply to meet the municipal, industrial, and irrigation water needs for both Texas and Louisiana, and providing low-cost, emissions-free renewable energy to ratepayers in Eastern Texas and Western Louisiana, the Project is a significant economic engine in the region, supporting jobs, tourism, and local businesses. Among the economic benefits made possible by the Project in Texas are numerous public recreation facilities and many private businesses dependent on recreation at Toledo Bend. We believe that in the coming years, as water shortages increase in parts of the United States and natural outdoor environments continue to confront development pressures, the Toledo Bend Project will become an increasingly valuable asset of the States of Texas and Louisiana.

RELICENSING PROCESS

The Project operates under the license issued by the FPC in 1963, which expired at the end of September, 2013. The Authorities' application for a new license was filed in September 2011 and currently is pending at the FERC.

The Authorities developed the license application through an 8-year process that included the development and filing of a notice of intent to apply for a new license and pre-application document, extensive environmental scoping and studies, and 5 years collaborating with all relevant federal and state agencies and the interested public both before and after the application for a new license was filed with the FERC.

The relicensing process also involved a successful comprehensive settlement with federal and state resource agencies, reached after more than a year of intense settlement negotiations. The settlement sets forth mutually agreeable terms and conditions for the operation of the Project over the new license term, and includes measures that protect and enhance fish and aquatic resources, public recreation, water quality, and preserves the value of hydropower production and water supply.

In addition, as part of the relicensing effort the Authorities have proposed to construct a new renewable generating facility in Louisiana to take advantage of water releases from the Project spillway, which is expected to produce approximately 11,600 megawatt hours of renewable energy—enough to power about 800 homes each year.

This onerous relicensing process has come at considerable cost to the two Authorities, as follows:

- The relicensing process costs (e.g., environmental and engineering consultant fees, environmental studies, legal expenses, document preparation, and other related expenses) have totaled over $10 million since inception, and the Authorities expect a total expenditure of over $11 million by the time the license is issued later this year.
- Capital costs associated with implementing new license measures are estimated at $3.6 million (not including the capital costs of the new small generating facility at the spillway).
- Annual costs associated with operation and maintenance of new protection, mitigation, and enhancement measures set forth in FERC's staff preferred alternative (which includes measures in the relicensing settlement agreement) are estimated at $3.7 million.
- In addition, the Authorities estimate that they lose $2.6 million in revenue each year as a result of enhancing recreation at Toledo Bend Reservoir by restricting normal hydropower production to periods when Toledo Bend Reservoir is above 168 feet mean sea level (msl) (even though the Project was designed to draw reservoir levels down to elevation 162 feet msl for power generation).

Together, these costs will increase the Project's total operating costs by more than $7 million each year over a 50 year license term. For a Project with current operating costs of approximately $16.5 million annually, these relicensing costs substantially increase the Project's total operating costs by nearly 44% annually, even if the FERC issues the statutory maximum new license term of 50 years. Of course, this increase would be even more substantial if the FERC issues a new license for less than 50 years.

LAND EXCHANGE LEGISLATION

The Authorities very much need the enactment of S.1484, the Sabine National Forest Land Exchange Act of 2013, of which Chairman Landrieu is the lead sponsor. Senators David Vitter (R-LA) and John Cornyn (R-TX) are also original sponsors of this legislation. This legislation would remove some aspects of federal oversight under the FPA that potentially could cripple the many benefits provided by the Project on a going-forward basis. Currently, the presence in the Project of approximately 4,000 acres of federal land administered by the U.S. Forest Service imposes a considerable regulatory and cost burden on the Authorities, both now and into the future. The legislation sponsored by Chairman Landrieu, Senator Vitter and Senator Cornyn would remove these challenges and ensure that the Project can continue to be a valuable asset of the people of Texas and Louisiana.

The existence of Sabine National Forest lands within the Project gives "mandatory conditioning authority" to the U.S. Forest Service under section 4(e) of the FPA. This broad authority allows the U.S. Forest Service to impose upon the Authorities' FERC-issued license any conditions it believes would adequately protect and utilize Sabine National Forest. Because the U.S. Supreme Court has held that FERC has no authority to modify or reject these conditions, there is no guarantee that a future FERC-issued license will be balanced in the public interest for both developmental and non-developmental values, as required by the FPA. Given the unique structure of FPA section 4(e)—where one agency can override the action agency's overall licensing authority—there is little opportunity in the relicensing process for the Authorities and other hydropower licensees to challenge the factual merits of the conditions.

Fortunately, the Authorities were able to work closely with the U.S. Forest Service in the current relicensing process and resolve all their issues through a negotiated settlement of the FPA section 4(e) conditions that will apply to the new license. In a future licensing proceeding involving the Project, however, the Authorities should not be subjected to the risk that the U.S. Forest Service could impose onerous or crippling conditions to protect its narrow interests at the expense of the broader purposes of the Project.

In addition, removal of Sabine National Forest lands from the Project, together with the assurance that other non-fee federal interests in Project lands would not trigger land use fees under FPA section 10(e), would remove the threat to the Authorities to pay extraordinary federal land use fees to FERC. According to an estimate by the Authorities, these FERC fees could be as high as $3 million annually, which would wreck the economics of the Project. The FERC is not collecting these fees from the Project for two reasons: (1) the FERC has found that Project power is provided to consumers without profit; and (2) the FERC has determined that it will not collect these fees at all from anyone right now, but has not rejected its authority to collect these fees. The potential liability of the Project for these fees is exacerbated because a prior land exchange in the 1980s retained the federal govern-

ment's "power site reservation" on over 30,000 acres of lands inundated by Toledo Bend Reservoir. This "power site reservation" is the alleged basis of this fee by the FERC. The Authorities are pleased about the refusal of the current FERC to collect these fees, but also are keenly aware that a future FERC could change this position and determine to collect these excessive and unjustified fees in the future. Because any further change in FERC policy could be devastating to the Project, we support a legislative solution that removes FERC's power to collect fees for any interest in federal land at the Project.

NO ADDITIONAL RELICENSING PROCESSES

Finally, we question why this Project should undergo another relicensing in 30 to 50 years. At that point, the Project will have been operating for 80 to 100 years, which provides ample time to fully understand and address environmental effects of its operations. The comprehensive, complex, costly and time consuming "audit" of the Project—which is what the re-licensing process is all about—against the full spectrum of environmental laws of the nation will be completely unnecessary. The Project has now been through an original licensing and, very recently, a relicensing. SRA-Texas has no objection to remaining under the jurisdiction of the FERC according to the terms of our settled license conditions, which will contain sufficient authority to reopen the license, where justified, to address any implementation issues that might arise at the Project.

We view this entire costly application process for a new license in 30 or 50 years to be an imposition of government expense of questionable value. This Project is an asset owned by the people of Texas and Louisiana, and it is the only FERC-licensed Project in the nation that is owned by two different states. This Project is not operated for profit, but for the benefit of the people of Texas and Louisiana. Therefore, we ask Chairman Landrieu to do all in your power to relieve this Project of incurring another major expense—which may be much greater in 30 or 50 years than our current relicensing—occasioned by the requirement to seek a new license periodically.

CONCLUSION

Thank you, Madam Chairman, for your great interest in the success of the Toledo Bend Project and for this hearing that you are conducting on the Project. We appreciate your support and your leadership in Congress to address issues that will enable this important state asset to achieve its full potential as an electricity producer, a water supply facility and an engine of economic development for Eastern Texas and Western Louisiana.

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277 HWY 118,
Florien, LA, May 17, 2014.

Hon. MARY LANDRIEU,
Chairman, Senate Energy and Resources.

RE: Committee Hearing., Cypress Bend Complex, Toledo Lake

Following are means that Federal Government can assist in increase of Economic benefits in area of Toledo Bend Lake and. Sabine River:

> While being blessed with a north/south 4-lane highway (U.S. 171) Shreveport To Lake Charles, Louisiana., most tourist from South Louisiana arrive via I-40, taking 2-lane La. Hwy 6 to Toledo Lake area. A bottle neck in town of Many Louisiana can be eliminated with funding cost of $450,000. Federal Funding of 80% is needed to begin the DODT project.

Funding for Sabine River Authority Louisiana to construct a water supply lift station in Desota Parish for water supply used for FRACTURING in the Haynesville oil fields situated in Northwestern Louisiana and East Texas and for other area water needs.

Funding for a salt water barrier on Sabine River. Salt Water, currently, is only a short distance from the Louisiana Diversion Canal that supplies fresh water for all the commercial ventures in Calcasieu Parish area—providing TENS OF THOUSAND Jobs. None of the plants can operate with Salt Water. This salt water barrier is a must—now—and not later. Should the salt water move north a short distance (to the Diversion Canal intake station)—more than 30,000 jobs will be lost.

These are only a few means in which federal Funding can and will impact economic cond. its in the Toledo BenD and Sabine River area.

BOBBY WILLIAMS,
Member, Sabine River Authority, Louisiana, Sabine River Compact Administration (La. & Texas), Sabine Parish Sales & Use Tax Commission,El Camino East/W Corridor Commission (La. 6 U.S. 84), Western Corridor Commission (U.S. Hwy 171), West Louisiana Veterans Park

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